1986
Financial
Ratio
Study

Combination Offset
Sheetfed/Web

Volume VIII

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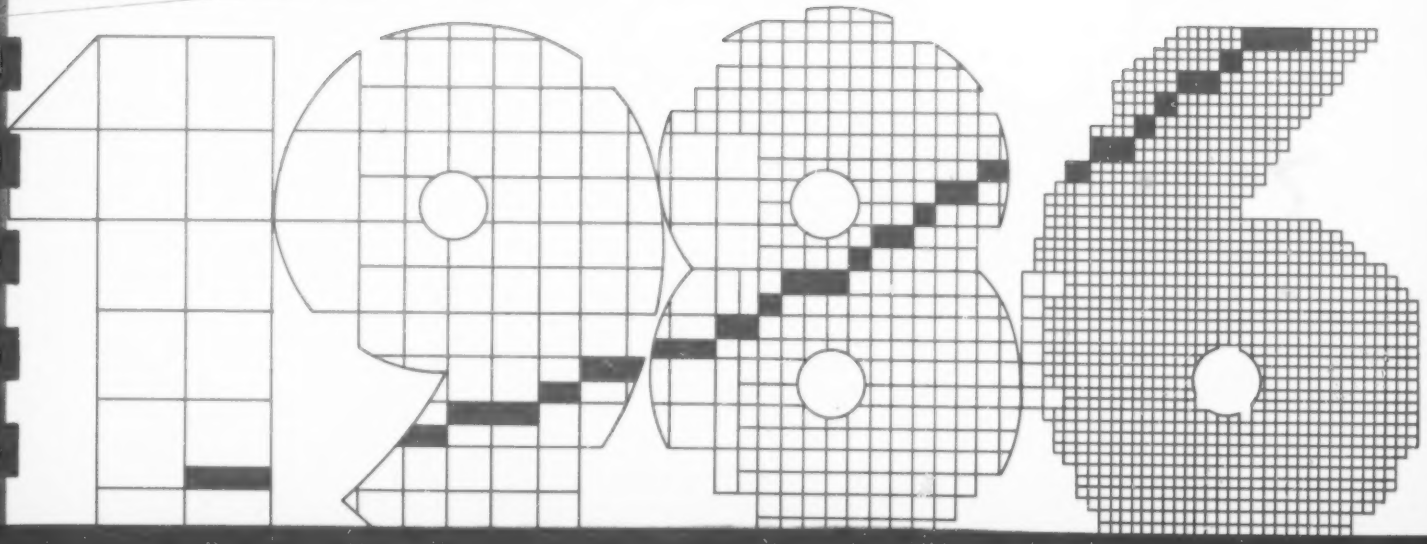

63RD annual ratio study compiled from the operating statements and balance sheets submitted by representative members of the printing industry, and computed by RGS Enterprises, Inc., 1 Carlisle Drive, Arnold, Maryland 21012.

1986 FINANCIAL RATIOS

COMBINATION OFFSET-SHEETFED/WEB PRINTERS

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PRINTING INDUSTRIES OF AMERICA, INC.

Member Programs Group
1730 North Lynn Street
Arlington, Virginia 22209

Edited and Prepared by H. R. Margolis Company,
Certified Public Accountants
New York and Philadelphia (Bala Cynwyd)

Printed in U.S.A.

H. R. MARGOLIS COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

Offices:
PHILADELPHIA
NEW YORK

Dear Member of the Graphic Arts Community:

H . R. Margolis Company is pleased to have once again participated with PIA and the graphic arts community in compiling these financial ratios. In all, 979 graphic arts firms of various types took part in the 1986 study. This particular volume is the result of financial information contributed by 96 Combination Offset-Sheetfed/Web Printers across the United States and Canada.

To help readers compare their own financial statements to those of other firms, the data is presented here by sales volume - for example, sales to $1.5 million, sales from $1.5 to $5 million, etc.; by product specialty - for example, Commercial and Advertising, Magazine and Periodical, etc.; and by percentage of web sales - for example, 0% to 11%, 21% to 41%, etc. Readers can compare their firm's operations with other firms having the same sales volume, product specialty or percentage of web sales in five areas: Operations based on Value Added and its Supporting Schedules, Operations based on Sales and its Supporting Schedules, Balance Sheet Ratios, Significant Facts and Return on Investment.

The importance of sharing this type of information among the members of the graphic arts community cannot be overemphasized. Such a comparative analysis enhances the health of both individual firms and the graphic arts industry as a whole. Consequently, we urge that all firms put these ratios to use in making effective and profitable financial decisions.

H. R. Margolis Company

H. R. MARGOLIS COMPANY

PRINTING INDUSTRIES OF AMERICA, INC.

1730 North Lynn Street, Arlington, VA 22209 (703) 841-8100

1986 is the 63rd year in which Printing Industries of America, Inc. has collected and published detailed financial ratio information for members of the graphic arts community. The data presented each year provide a detailed and comprehensive picture of the financial status of the major segments of the graphic arts industries in the U.S. and Canada. It allows individual firms to compare their annual performance with that of many other similar firms, including those which earn well above-average profits. Ratio results are published annually. They are summarized as follows:

- Management Guide to the PIA Ratios
- All Printers by Sales Volume
- All Printers by Product Specialty
- All Printers by Geographic Area
- Sheetfed Printers by Size and Geographic Area
- Web Offset Printers — Heatset
- Web Offset Printers — Non-Heatset
- Combination Offset — Sheetfed/Web
- Book Manufacturers' Ratios
- Large Printers' Ratios
- Typographers' Ratios
- Preparatory Specialists' Ratios
- Binders' Ratios
- Quick Printers

For a more complete composite picture of your company's performance relative to the industry as a whole, several books could be used in your analysis, such as one of the overview volumes, e.g., *All Printers by Sales Volume*, and one that addresses your particular business segment or production process, e.g., *Book Manufacturers or Web Offset — Heatset*, respectively. Alternatively, such analysis is facilitated by participating in the Ratio Study each year and ordering an individual company computer printout which compares a participant's ratios to those of companies which are similar in size and sales volume, produce the same products, and use the same manufacturing process.

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1986 is the fourth year in which the annual PIA Financial Ratio Study has analyzed combination offset sheetfed/web plants—printing firms whose sales volume is composed of more than 20% web and more than 20% sheetfed jobs. Within the context of the PIA Financial Ratio Study, printers with less than 20% of sales made up of web jobs are classified as sheetfed printers; more then 80% web are classified as either web heatset or non-heatset printers. These particular printing operations are examined in Volumes V, VI, and VII of the study, respectively.

PIA's goal is to serve the needs of the printing industry; we are pleased at the response to this new part of the annual PIA Financial Ratio Study.

VALUE ADDED -- WHAT IT MEANS TO YOU

VALUE ADDED DEFINED

Value added is a technical term for sales of a company's own manufacture. It is calculated as sales less material costs and outside services.

Sales		$100.00
Less: Materials		
Paper	$ 23.00	
Other chargeable materials	5.00	
Outside services	8.00	36.00
Value Added		$ 64.00

Material costs include paper and other chargeable materials such as ink, film, plates etc., but not general supplies or the repair and maintenance of equipment. Outside services are purchases of job-related services - composition, offset preparation, printing, bindery, etc.

Value added financial management is based on a fundamental principle of accounting: Profit is achieved from sales of a company's own manufacture. Time and time again, when printing companies show high sales but low profits, the root of the problem is in the failure to pay attention to the relationship between value added and profit performance.

VALUE ADDED AND PROFITS

Since value added is sales less material costs, it becomes a critical factor in paying your remaining expenses - expenses such as factory labor, other factory expenses, administrative expenses, selling expenses, and interest.

What is left is profit.

All sales do not contribute equally to fixed costs and profits. There are "good sales" and "better sales." Good sales are sales that require more than an average amount of materials and outside services. As a result, they have less value added with which to cover fixed costs and to produce a profit. They are called "good sales" simply because there are no "bad sales" in the printing industry.

Better sales require fewer materials and more inside sales - sales of your company's own manufacture. This type of sale generously covers overhead and pays more dollars into profits. Printing firms that follow value added financial management procedures do all work inside unless they cannot avoid sending it out.

A VALUE ADDED STATEMENT OF OPERATIONS

In keeping with the value added concept, operating statements are more meaningful when prepared on the basis of inside sales. In this type of statement presentation, management starts its financial analysis with value added instead of the sales column. This eliminates the distortion introduced by material costs. For example, in comparing percentages based on sales of a short-run, sheet-fed company and a web offset firm, we could be faced with a significant difference in ratios because of differences in material costs. Although it would appear that the web offset operation had a lower factory labor cost because a substantial amount of its sales were materials, this might, in fact, not be the case at all. Instead the factory labor cost could be more or less than its counterpart sheet-fed operation as it relates to the value added produced by this labor.

	COMPANY S SHEET-FED		COMPANY W WEB-FED	
		% OF SALES		% OF SALES
SALES	$1,000,000	100.00%	$1,000,000	100.00%
MATERIALS				
Paper	197,300	19.73	387,900	38.79
Other chargeable materials	42,800	4.28	35,000	3.50
Outside services	87,900	8.79	30,000	3.00
	328,000	32.80	452,900	45.29
		% OF VALUE ADDED		% OF VALUE ADDED
VALUE ADDED	672,000	100.00%	547,100	100.00%
FACTORY PAYROLL	241,800	35.98	177,500	32.44
FACTORY EXPENSES	121,800	18.13	101,300	18.52
	363,600	54.11	278,800	50.96
GROSS PROFIT	308,400	45.89	268,300	49.04
SELLING AND ADMINISTRATIVE EXPENSES	187,500	27.90	141,700	25.90
INCOME BEFORE INTEREST EXPENSE	120,900	17.99	126,600	23.14
Interest expense	18,300	2.72	7,900	1.44
OPERATING INCOME	102,600	15.27	118,700	21.70
Other income	10,200	1.52	16,200	2.96
INCOME BEFORE INCOME TAXES	$ 112,800	16.79%	$ 134,900	24.66%

The point is that every company's product mix is different, and by using statements of operations based on value added, this product mix difference is eliminated. Consequently, value added is a better statement with which to evaluate your operations.

CHAPTER 1 - BY SIZE OF FIRM

REPORT ON OPERATIONS - VALUE ADDED = 100%

	ALL FIRMS REPORTING		SALES TO 1.5 MILLION**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
SALES OR VALUE OF PRODUCT PRODUCED	X	X	X
LESS: PAPER, OTHER CHARGEABLE MATERIALS AND OUTSIDE SERVICES	X	X	X
VALUE ADDED BY MANUFACTURE	100.00%	100.00%	100.00%
FACTORY PAYROLL	43.86	39.76	41.45
FACTORY EXPENSES	20.79	18.80	25.30
TOTAL FACTORY COST OF PRODUCT	64.65	58.56	66.75
GROSS PROFIT	35.35	41.44	33.25
ADMINISTRATIVE AND SELLING EXPENSES			
Administrative expenses	12.52	10.91	15.45
Selling expenses	13.47	10.38	11.62
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	25.99	21.29	27.07
INCOME BEFORE INTEREST EXPENSE	9.36	20.15	6.18
Interest expense	3.84	2.51	1.27
OPERATING INCOME	5.52	17.64	4.91
Other income (expense)	1.90	3.70	(0.41)
INCOME BEFORE INCOME TAXES	7.42	21.34	4.50

* See page 10 for the definition of "Profit Leaders."
** Sample insufficient for Profit Leaders.

SALES FROM $1.5 TO $5 MILLION		SALES FROM $5 TO $10 MILLION**	SALES FROM $10 TO $20 MILLION		SALES OVER $20 MILLION	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
X	X	X	X	X	X	X
X	X	X	X	X	X	X
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
40.58	34.42	44.57	45.12	42.22	46.47	46.80
20.84	18.82	21.71	19.21	17.78	20.68	20.55
61.42	53.24	66.28	64.33	60.00	67.15	67.35
38.58	46.76	33.72	35.67	40.00	32.85	32.65
13.84	13.15	13.88	10.52	10.26	10.51	7.76
13.41	9.98	13.24	13.32	9.04	15.60	13.50
27.25	23.13	27.12	23.84	19.30	26.11	21.26
11.33	23.63	6.60	11.83	20.70	6.74	11.39
3.95	1.75	4.67	3.66	3.52	3.15	1.72
7.38	21.88	1.93	8.17	17.18	3.59	9.67
0.51	(2.00)	2.06	1.33	1.39	7.44	22.00
7.89	19.88	3.99	9.50	18.57	11.03	31.67

SUPPORTING SCHEDULES - VALUE ADDED = 100%

	ALL FIRMS REPORTING		SALES TO 1.5 MILLION**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
FACTORY PAYROLL			
Salaries - executive	3.09%	3.25%	4.84%
Direct wages	29.38	25.72	30.64
General factory salaries and wages	3.08	2.94	0.21
Packing, shipping and delivery wages	1.70	1.60	0.81
Payroll taxes	2.76	2.54	2.62
Employee benefits	3.85	3.71	2.33
TOTAL FACTORY PAYROLL	43.86	39.76	41.45
FACTORY EXPENSES			
Fixed Expenses			
Depreciation - real estate	0.59	0.67	0.14
Depreciation - other	5.34	5.47	7.34
Taxes - real estate	0.39	0.27	0.27
Taxes - other	0.30	0.32	0.45
Insurance	0.60	0.49	0.75
Building rent	1.53	0.87	3.61
Utilities - heat, light, etc.	2.10	2.11	1.75
Equipment rental	0.97	0.37	4.15
Total Fixed Expenses	11.82	10.57	18.46
Other Expenses			
Factory supplies and expense	3.34	3.18	2.94
Packing, shipping and delivery expense	1.99	1.69	1.50
Repairs and maintenance	2.62	2.71	1.73
Other factory expenses	1.02	0.65	0.67
Total Other Expenses	8.97	8.23	6.84
TOTAL FACTORY EXPENSES	20.79	18.80	25.30
ADMINISTRATIVE EXPENSES			
Salaries - executive	3.31	2.98	5.59
Salaries - office	2.88	2.24	3.84
Payroll taxes	0.39	0.33	0.65
Employee benefits	0.77	0.79	0.52
Bad debts	0.84	0.65	0.10
Office supplies and expenses	0.66	0.52	1.03
Professional fees	0.76	0.74	0.51
Taxes - business	0.19	0.34	0.08
Telephone	0.62	0.56	0.63
Other administrative expenses	2.10	1.76	2.50
TOTAL ADMINISTRATIVE EXPENSES	12.52	10.91	15.45
SELLING EXPENSES			
Salaries - executive	1.73	1.27	1.82
Salaries and commissions - salesmen	6.72	5.00	6.13
Salaries - sales office clerical	1.24	1.35	0.56
Payroll taxes	0.49	0.39	0.71
Employee benefits	0.58	0.69	0.35
Advertising	0.52	0.32	0.62
Travel and entertainment	1.21	0.68	0.63
Other selling expenses	0.98	0.68	0.80
TOTAL SELLING EXPENSES	13.47	10.38	11.62

** Sample insufficient for Profit Leaders.

SALES FROM $1.5 TO $5 MILLION		SALES FROM $5 TO $10 MILLION**	SALES FROM $10 TO $20 MILLION		SALES OVER $20 MILLION	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
3.09%	2.72%	2.86%	2.99%	3.70%	3.16%	2.36%
27.50	21.60	30.44	29.52	27.07	29.55	31.69
2.65	2.71	2.72	3.95	3.61	3.77	2.37
1.94	1.59	1.66	1.56	1.49	2.20	2.11
1.94	2.20	3.13	2.89	2.55	3.20	3.39
3.46	3.60	3.76	4.21	3.80	4.59	4.88
40.58	34.42	44.57	45.12	42.22	46.47	46.80
0.86	0.92	0.75	0.34	0.33	0.50	1.10
5.09	4.37	5.39	5.35	5.78	4.89	6.47
0.31	0.16	0.48	0.40	0.22	0.29	0.66
0.24	0.32	0.29	0.34	0.47	0.23	0.00
0.71	0.59	0.61	0.48	0.31	0.65	0.74
1.64	1.78	1.69	1.08	0.52	1.23	0.25
1.55	1.31	2.37	2.07	2.37	2.79	3.15
0.83	0.66	0.70	0.96	0.23	0.44	0.32
11.23	10.11	12.28	11.02	10.23	11.02	12.69
2.78	3.88	3.39	3.38	2.48	4.48	3.23
2.63	1.86	2.24	1.49	1.44	1.64	1.72
3.22	2.56	2.65	2.39	2.53	2.36	2.78
0.98	0.41	1.15	0.93	1.10	1.18	0.13
9.61	8.71	9.43	8.19	7.55	9.66	7.86
20.84	18.82	21.71	19.21	17.78	20.68	20.55
4.07	3.78	3.79	2.40	2.68	1.98	2.12
2.71	1.90	3.01	2.63	2.72	3.12	1.85
0.33	0.36	0.45	0.33	0.30	0.35	0.24
0.96	0.85	0.67	0.80	0.97	0.69	0.44
0.79	0.58	1.33	0.65	0.72	0.56	0.30
0.68	0.86	0.87	0.47	0.29	0.41	0.37
0.86	0.55	0.82	0.64	0.62	0.83	1.22
0.23	0.49	0.19	0.23	0.27	0.09	0.19
0.76	0.62	0.68	0.48	0.44	0.62	0.45
2.45	3.16	2.07	1.89	1.25	1.86	0.58
13.84	13.15	13.88	10.52	10.26	10.51	7.76
1.96	1.21	1.91	1.24	1.08	2.26	1.88
6.47	4.31	6.28	7.08	4.09	7.72	7.79
1.28	1.78	1.19	1.31	1.04	1.37	1.24
0.45	0.41	0.55	0.43	0.30	0.49	0.44
0.71	1.22	0.54	0.48	0.36	0.82	0.69
0.67	0.42	0.52	0.38	0.19	0.56	0.53
1.03	0.39	1.50	1.19	0.73	1.11	0.71
0.84	0.24	0.75	1.21	1.25	1.27	0.22
13.41	9.98	13.24	13.32	9.04	15.60	13.50

CHAPTER 1 - BY SIZE OF FIRM

REPORT ON OPERATIONS - SALES = 100%

	ALL FIRMS REPORTING		SALES TO 1.5 MILLION**
	ALL FIRMS	PROFIT LEADERS*	ALL FIRMS
SALES OR VALUE OF PRODUCT PRODUCED	100.00%	100.00%	100.00%
FACTORY COST OF PRODUCT			
MATERIALS			
Paper	28.89	27.87	23.69
Other chargeable materials	5.14	4.83	4.43
Outside services	7.47	8.70	5.61
TOTAL MATERIALS	41.50	41.40	33.73
FACTORY PAYROLL	25.77	23.19	27.45
FACTORY EXPENSES	12.07	10.91	16.75
TOTAL FACTORY COST OF PRODUCT	79.34	75.50	77.93
GROSS PROFIT	20.66	24.50	22.07
ADMINISTRATIVE AND SELLING EXPENSES			
Administrative expenses	7.31	6.43	10.38
Selling expenses	7.82	6.10	7.50
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	15.13	12.53	17.88
INCOME BEFORE INTEREST EXPENSE	5.53	11.97	4.19
Interest expense	2.20	1.46	0.83
OPERATING INCOME	3.33	10.51	3.36
Other income (expense)	1.05	1.98	(0.25)
INCOME BEFORE INCOME TAXES	4.38	12.49	3.11

SUPPORTING SCHEDULES - SALES = 100%

OTHER CHARGEABLE MATERIALS			
Ink	1.92%	2.21%	1.02%
Film	0.99	1.00	1.16
Plates	1.35	1.07	1.21
Other chargeable materials	0.88	0.55	1.04
TOTAL OTHER CHARGEABLE MATERIALS	5.14	4.83	4.43
OUTSIDE SERVICES			
Composition	0.77	1.37	0.29
Offset preparation	1.22	1.19	1.07
Printing	1.09	1.67	1.19
Binding	2.40	1.86	0.70
Other outside services	1.99	2.61	2.36
TOTAL OUTSIDE SERVICES	7.47	8.70	5.61

* "Profit Leaders" are those firms which earned 8% or greater pretax profits on sales.
** Sample insufficient for Profit Leaders.

SALES FROM $1.5 TO $5 MILLION		SALES FROM $5 TO $10 MILLION**	SALES FROM $10 TO $20 MILLION		SALES OVER $20 MILLION	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
28.11	23.33	29.90	29.70	31.09	27.81	28.03
5.31	3.22	5.17	4.99	5.22	5.50	6.66
7.21	10.13	7.49	7.57	7.38	8.64	10.01
40.63	36.68	42.56	42.26	43.69	41.95	44.70
23.98	21.80	25.92	26.23	23.80	27.05	25.96
12.08	11.66	12.40	11.08	9.98	11.84	11.36
76.69	70.14	80.88	79.57	77.47	80.84	82.02
23.31	29.86	19.12	20.43	22.53	19.16	17.98
8.25	8.23	7.86	6.01	5.81	6.15	4.25
8.01	6.30	7.50	7.67	5.16	8.94	7.47
16.26	14.53	15.36	13.68	10.97	15.09	11.72
7.05	15.33	3.76	6.75	11.56	4.07	6.26
2.23	1.14	2.65	2.12	1.98	1.87	0.94
4.82	14.19	1.11	4.63	9.58	2.20	5.32
0.24	(1.40)	1.13	0.75	0.78	4.18	12.22
5.06	12.79	2.24	5.38	10.36	6.38	17.54
1.47%	1.11%	1.89%	2.12%	2.36%	2.68%	3.86%
1.16	0.99	0.74	1.01	1.06	1.16	0.77
1.35	1.01	1.78	1.11	1.01	1.10	1.27
1.33	0.11	0.76	0.75	0.79	0.56	0.76
5.31	3.22	5.17	4.99	5.22	5.50	6.66
1.37	2.69	0.69	0.70	0.67	0.34	0.64
0.61	0.53	1.32	1.76	2.39	0.69	0.56
2.19	3.46	0.55	1.00	0.98	0.60	0.22
0.74	0.84	3.20	2.54	2.21	4.00	3.22
2.30	2.61	1.73	1.57	1.13	3.01	5.37
7.21	10.13	7.49	7.57	7.38	8.64	10.01

SUPPORTING SCHEDULES - SALES = 100%

	ALL FIRMS REPORTING		SALES TO 1.5 MILLION**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
FACTORY PAYROLL			
Salaries - executive	1.81%	1.88%	3.13%
Direct wages	17.27	15.01	20.44
General factory salaries and wages	1.80	1.70	0.14
Packing, shipping and delivery wages	0.99	0.92	0.55
Payroll taxes	1.63	1.50	1.69
Employee benefits	2.27	2.18	1.50
TOTAL FACTORY PAYROLL	25.77	23.19	27.45
FACTORY EXPENSES			
Fixed Expenses			
Depreciation - real estate	0.34	0.36	0.10
Depreciation - other	3.12	3.21	5.03
Taxes - real estate	0.22	0.15	0.20
Taxes - other	0.17	0.19	0.28
Insurance	0.34	0.28	0.50
Building rent	0.89	0.55	2.42
Utilities - heat, light, etc.	1.21	1.21	1.14
Equipment rental	0.57	0.21	2.55
Total Fixed Expenses	6.86	6.16	12.22
Other Expenses			
Factory supplies and expense	1.96	1.85	1.90
Packing, shipping and delivery expense	1.13	0.95	1.04
Repairs and maintenance	1.52	1.57	1.14
Other factory expenses	0.60	0.38	0.45
Total Other Expenses	5.21	4.75	4.53
TOTAL FACTORY EXPENSES	12.07	10.91	16.75
ADMINISTRATIVE EXPENSES			
Salaries - executive	1.92	1.74	3.66
Salaries - office	1.68	1.28	2.60
Payroll taxes	0.23	0.20	0.42
Employee benefits	0.45	0.46	0.34
Bad debts	0.48	0.39	0.06
Office supplies and expenses	0.39	0.32	0.70
Professional fees	0.44	0.43	0.34
Taxes - business	0.12	0.21	0.05
Telephone	0.36	0.33	0.42
Other administrative expenses	1.24	1.07	1.79
TOTAL ADMINISTRATIVE EXPENSES	7.31	6.43	10.38
SELLING EXPENSES			
Salaries - executive	1.03	0.74	1.25
Salaries and commissions - salesmen	3.85	2.92	3.86
Salaries - sales office clerical	0.74	0.83	0.37
Payroll taxes	0.29	0.23	0.45
Employee benefits	0.34	0.41	0.23
Advertising	0.31	0.18	0.42
Travel and entertainment	0.69	0.40	0.41
Other selling expenses	0.57	0.39	0.51
TOTAL SELLING EXPENSES	7.82	6.10	7.50

** Sample insufficient for Profit Leaders.

SALES FROM $1.5 TO $5 MILLION		SALES FROM $5 TO $10 MILLION**	SALES FROM $10 TO $20 MILLION		SALES OVER $20 MILLION	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
1.79%	1.63%	1.63%	1.76%	2.11%	1.85%	1.30%
16.28	13.79	17.68	17.15	15.23	17.17	17.59
1.60	1.66	1.60	2.26	2.03	2.20	1.31
1.08	0.97	0.97	0.91	0.84	1.30	1.17
1.14	1.42	1.82	1.70	1.46	1.86	1.89
2.09	2.33	2.22	2.45	2.13	2.67	2.70
23.98	21.80	25.92	26.23	23.80	27.05	25.96
0.50	0.47	0.43	0.20	0.19	0.29	0.61
2.91	2.90	3.07	3.09	3.23	2.78	3.57
0.19	0.09	0.28	0.22	0.12	0.16	0.36
0.14	0.21	0.16	0.20	0.27	0.13	0.00
0.41	0.36	0.33	0.27	0.18	0.38	0.42
0.92	1.16	0.95	0.63	0.31	0.72	0.15
0.91	0.84	1.35	1.19	1.32	1.60	1.73
0.46	0.37	0.42	0.56	0.13	0.25	0.17
6.44	6.40	6.99	6.36	5.75	6.31	7.01
1.68	2.36	1.95	1.97	1.38	2.60	1.81
1.47	1.00	1.25	0.85	0.83	0.93	0.96
1.89	1.60	1.53	1.37	1.42	1.35	1.51
0.60	0.30	0.68	0.53	0.60	0.65	0.07
5.64	5.26	5.41	4.72	4.23	5.53	4.35
12.08	11.66	12.40	11.08	9.98	11.84	11.36
2.38	2.30	2.17	1.38	1.53	1.14	1.19
1.61	1.18	1.68	1.51	1.51	1.86	1.00
0.20	0.23	0.26	0.19	0.17	0.20	0.13
0.57	0.52	0.39	0.45	0.55	0.41	0.24
0.48	0.37	0.74	0.36	0.42	0.33	0.16
0.42	0.57	0.49	0.27	0.17	0.24	0.20
0.51	0.34	0.46	0.37	0.36	0.48	0.67
0.14	0.31	0.11	0.14	0.15	0.05	0.11
0.45	0.39	0.39	0.27	0.25	0.35	0.24
1.49	2.02	1.17	1.07	0.70	1.09	0.31
8.25	8.23	7.86	6.01	5.81	6.15	4.25
1.20	0.73	1.08	0.73	0.64	1.31	1.02
3.74	2.70	3.51	4.04	2.29	4.42	4.33
0.81	1.20	0.69	0.77	0.60	0.79	0.69
0.27	0.26	0.31	0.25	0.18	0.28	0.24
0.43	0.74	0.32	0.29	0.21	0.46	0.39
0.41	0.25	0.30	0.23	0.11	0.32	0.30
0.62	0.26	0.85	0.67	0.43	0.62	0.38
0.53	0.16	0.44	0.69	0.70	0.74	0.12
8.01	6.30	7.50	7.67	5.16	8.94	7.47

CHAPTER 1 - BY SIZE OF FIRM

BALANCE SHEET

	ALL FIRMS REPORTING		SALES TO 1.5 MILLION**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
ASSETS			
CURRENT ASSETS			
Cash	4.28%	7.53%	7.41%
Receivables	31.66	28.01	35.86
Inventories	14.17	12.80	12.65
Other current assets	4.26	8.56	2.50
TOTAL CURRENT ASSETS	54.37	56.90	58.42
FIXED ASSETS			
Real estate	12.08	11.80	6.43
Less: Accumulated depreciation	3.70	2.62	3.48
	8.38	9.18	2.95
Machinery and equipment	63.13	52.70	83.63
Less: Accumulated depreciation	32.35	26.24	51.24
	30.78	26.46	32.39
Other fixed assets	5.45	5.85	8.76
Less: Accumulated depreciation	2.73	2.40	4.48
	2.72	3.45	4.28
NET FIXED ASSETS	41.88	39.09	39.62
OTHER ASSETS	3.75	4.01	1.96
TOTAL ASSETS	100.00	100.00	100.00
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Notes payable	11.81	6.06	5.02
Accounts payable	14.18	10.40	13.59
Other current liabilities	9.05	10.61	4.87
TOTAL CURRENT LIABILITIES	35.04	27.07	23.48
LONG-TERM LIABILITIES	30.60	25.42	26.73
TOTAL LIABILITIES	65.64	52.49	50.21
SHAREHOLDERS' AND PROPRIETORS' EQUITY	34.36	47.51	49.79
TOTAL LIABILITIES AND EQUITY	100.00	100.00	100.00

BALANCE SHEET RATIOS

CURRENT RATIO	1.55	2.10	2.49
QUICK RATIO	1.15	1.63	1.95
TOTAL LIABILITIES TO EQUITY	1.91	1.10	1.01
LONG-TERM LIABILITIES TO EQUITY	0.89	0.54	0.54
ACCUMULATED DEPRECIATION - MACHINERY AND EQUIPMENT TO TOTAL MACHINERY AND EQUIPMENT	0.51	0.50	0.61

** Sample insufficient for Profit Leaders.

SALES FROM $1.5 TO $5 MILLION		SALES FROM $5 TO $10 MILLION**	SALES FROM $10 TO $20 MILLION		SALES OVER $20 MILLION	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
2.67%	4.09%	3.17%	6.05%	11.85%	3.86%	5.40%
30.19	30.28	32.37	31.44	26.67	31.60	22.46
13.76	9.88	14.84	13.79	14.04	15.10	13.41
8.96	15.44	2.84	2.38	2.56	4.55	10.80
55.58	59.69	53.22	53.66	55.12	55.11	52.07
10.53	7.56	13.34	13.07	13.30	11.75	16.10
3.64	2.30	4.36	3.61	2.45	2.40	3.59
6.89	5.26	8.98	9.46	10.85	9.35	12.51
63.91	59.12	64.89	61.01	49.17	52.80	48.91
32.54	28.09	32.51	31.86	24.62	23.55	23.96
31.37	31.03	32.38	29.15	24.55	29.25	24.95
7.36	7.16	5.12	3.89	3.37	5.39	9.16
3.93	3.17	2.67	1.84	0.98	2.23	3.73
3.43	3.99	2.45	2.05	2.39	3.16	5.43
41.69	40.28	43.81	40.66	37.79	41.76	42.89
2.73	0.03	2.97	5.68	7.09	3.13	5.04
100.00	100.00	100.00	100.00	100.00	100.00	100.00
10.58	5.42	14.98	11.67	7.16	9.50	1.80
15.44	13.56	15.63	12.86	8.24	11.62	8.59
9.51	6.57	8.17	9.30	12.37	11.86	17.29
35.53	25.55	38.78	33.83	27.77	32.98	27.68
32.40	21.37	30.11	32.99	34.40	22.57	11.17
67.93	46.92	68.89	66.82	62.17	55.55	38.85
32.07	53.08	31.11	33.18	37.83	44.45	61.15
100.00	100.00	100.00	100.00	100.00	100.00	100.00
1.56	2.37	1.37	1.59	1.98	1.67	1.88
1.18	1.95	0.99	1.18	1.48	1.21	1.40
2.12	0.88	2.21	2.01	1.64	1.25	0.64
1.01	0.40	0.97	0.99	0.91	0.51	0.18
0.51	0.48	0.50	0.52	0.50	0.45	0.49

SIGNIFICANT FACTS

	ALL FIRMS REPORTING		SALES TO 1.5 MILLION**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
INVESTMENT			
Average assets per employee - All employees	$ 48,315	$ 62,840	$ 25,187
Average assets per factory employee (Excluding Executives)	65,056	81,935	39,096
Average net worth per employee - All employees	16,438	29,916	12,191
Average gross plant investment per factory employee (Excluding Executives)	50,399	54,286	39,596
Net worth percentage of fixed assets	97.75%	142.27%	215.92%
EMPLOYEES			
Percent factory - All employees	79.02%	82.57%	70.47%
Percent administrative - All employees	10.06	8.27	15.21
Percent sales - All employees	10.92	9.16	14.32
SALES - VALUE OF PRODUCT PRODUCED INCLUDING EXECUTIVES			
Sales per employee - All employees	$ 85,143	$ 90,434	$ 57,777
Sales per factory employee	109,300	110,431	83,835
Sales less material per factory employee	62,560	64,507	54,585
Sales per administrative employee	1,037,002	1,281,901	397,203
EXCLUDING EXECUTIVES			
Sales per employee - All employees	92,492	99,463	67,140
Sales per factory employee	115,831	119,144	93,738
Sales less material per factory employee	66,313	69,596	60,779
SALES PER SALESMAN	957,798	1,022,245	318,648
SALES TO CURRENT ASSETS	361%	294%	426%
PAYROLL - INCLUDING TAXES AND BENEFITS INCLUDING EXECUTIVES			
Total payroll percentage of sales	36.31%	31.99%	40.63%
Factory payroll percentage of gross plant investment	66.00	55.22	86.27
Payroll per employee - All employees	$ 30,056	$ 28,813	$ 23,384
Payroll per factory employee	26,750	25,340	22,392
Payroll per administrative employee	37,830	41,611	26,845
Payroll per sales employee	52,489	51,051	27,181
PAYROLL - EXCLUDING TAXES AND BENEFITS EXCLUDING EXECUTIVES			
Payroll per employee - All employees	$ 23,607	$ 22,378	$ 18,446
Payroll per factory employee	21,897	20,544	18,630
Payroll per administrative employee	18,557	19,411	13,993
Payroll per sales employee	41,922	41,439	16,881
EXECUTIVE PAYROLL			
Payroll per executive - All executives	56,519	48,881	35,271
Payroll per factory executive	38,358	37,987	29,623
Payroll per administrative executive	75,370	80,732	41,213
Payroll per sales executive	62,028	55,834	27,287
RECEIVABLES			
Collection period	63.4	66.8	55.1
PROFIT			
Gross profit percentage of sales	20.66%	24.50%	22.07%
Average gross profit per factory employee	$ 24,276	$ 29,499	$ 20,432
Income before taxes percentage of sales	4.38%	12.49%	3.11%
Average income before taxes per employee	$ 3,811	$ 11,174	$ 1,574

** Sample insufficient for Profit Leaders.

SALES FROM $1.5 TO $5 MILLION		SALES FROM $5 TO $10 MILLION**	SALES FROM $10 TO $20 MILLION		SALES OVER $20 MILLION	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
$ 41,407	$ 44,446	$ 44,733	$ 56,833	$ 74,722	$ 58,701	$ 72,684
57,880	60,690	61,210	74,352	97,090	75,779	87,400
11,743	23,026	14,076	19,213	30,332	26,900	44,374
44,748	43,250	51,259	54,517	58,435	53,058	65,626
97.36%	167.15%	78.54%	92.14%	117.83%	110.75%	150.82%
76.81%	80.36%	78.63%	81.46%	83.93%	81.61%	85.86%
10.98	9.44	10.77	8.41	7.96	8.65	6.04
12.21	10.20	10.60	10.13	8.11	9.74	8.10
$ 71,256	$ 82,467	$ 82,886	$ 95,849	$ 93,898	$ 102,512	$ 106,441
94,336	104,539	108,602	119,065	113,233	126,639	123,769
54,956	66,468	60,508	67,892	63,513	72,496	68,481
822,353	960,326	917,660	1,276,632	1,325,608	1,420,440	2,037,048
79,568	94,515	89,794	102,757	102,014	109,334	112,009
101,680	116,294	114,143	125,375	121,348	133,146	127,925
59,223	73,543	63,492	71,568	68,145	76,283	70,770
476,853	576,201	849,417	1,202,242	1,164,939	1,565,548	1,252,265
364%	357%	371%	350%	263%	328%	287%
35.20%	31.66%	36.34%	35.85%	31.50%	37.92%	35.17%
60.51	62.74	63.17	66.60	51.16	74.04	58.95
$ 23,997	$ 26,026	$ 29,154	$ 33,703	$ 29,281	$ 37,943	$ 36,829
21,291	22,294	26,085	29,902	26,500	33,033	31,738
33,065	36,779	37,545	41,419	46,473	43,482	45,804
41,541	48,470	48,682	57,089	40,041	85,629	92,529
$ 18,923	$ 20,186	$ 22,530	$ 26,904	$ 22,698	$ 29,282	$ 28,528
17,722	18,301	21,267	24,485	21,471	26,453	25,178
14,348	16,807	17,474	21,566	21,718	23,803	22,117
34,139	38,609	36,257	49,302	32,842	64,545	74,682
42,012	33,410	58,758	61,886	53,081	76,149	74,993
31,804	26,453	35,740	41,818	39,997	53,749	59,091
48,495	47,071	77,498	80,282	106,083	130,383	96,157
32,271	21,027	51,960	66,497	52,687	159,198	142,156
58.3	56.2	67.2	63.9	70.5	67.0	57.0
23.31%	29.86%	19.12%	20.43%	22.53%	19.16%	17.98%
$ 24,132	$ 35,383	$ 22,418	$ 26,276	$ 27,835	$ 25,512	$ 23,469
5.06%	12.79%	2.24%	5.38%	10.36%	6.38%	17.54%
$ 3,696	$ 10,302	$ 1,931	$ 5,259	$ 9,882	$ 5,953	$ 17,476

CHAPTER 1 - BY SIZE OF FIRM

RETURN ON INVESTMENT - PER $100 OF SALES

	ALL FIRMS REPORTING		SALES TO 1.5 MILLION**
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
INVESTMENT			
Current Assets:			
Cash	$ 2.68	$ 6.25	$ 2.90
Receivables	16.78	17.67	14.65
Inventories	7.81	8.97	5.22
Marketable securities	0.70	2.14	0.19
Other current assets	1.78	3.94	0.72
	29.75	38.97	23.68
Plant Investment:			
Land and building	7.14	9.03	3.35
Machinery and equipment	34.58	33.84	43.67
Other fixed assets	2.96	3.83	3.48
	44.68	46.70	50.50
Non-Current Assets	2.33	3.79	0.65
TOTAL INVESTMENT	76.76	89.46	74.83
INVESTMENT TURNOVER PER $100 OF SALES	130.28%	111.78%	133.64%
EARNINGS			
Cost of Product	$79.34	$75.50	$77.93
Selling Expenses	7.82	6.10	7.50
Administrative Expenses	7.31	6.43	10.38
	94.47	88.03	95.81
Income Before Interest, Other Income (Expense), and Taxes	5.53	11.97	4.19
RETURN ON INVESTMENT - INVESTMENT TURNOVER X INCOME	7.20%	13.38%	5.60%

** Sample insufficient for Profit Leaders.

SALES FROM $1.5 TO $5 MILLION		SALES FROM $5 TO $10 MILLION**	SALES FROM $10 TO $20 MILLION		SALES OVER $20 MILLION	
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
$ 1.47	$ 2.09	$ 1.57	$ 4.62	$11.22	$ 2.30	$ 3.39
15.51	15.04	17.69	16.98	18.72	17.59	15.27
7.37	5.20	8.07	8.06	11.06	8.57	9.13
0.79	1.10	0.25	0.55	1.08	2.45	7.72
4.52	9.49	1.29	0.81	0.79	0.64	0.35
29.66	32.92	28.87	31.02	42.87	31.55	35.86
5.98	4.84	7.39	8.38	11.27	7.04	11.27
34.76	32.48	35.00	34.16	34.30	29.74	32.65
3.84	4.00	2.87	2.25	2.45	3.17	6.34
44.58	41.32	45.26	44.79	48.02	39.95	50.26
1.90	1.80	1.51	3.76	5.74	2.02	3.76
76.14	76.04	75.64	79.57	96.63	73.52	89.88
131.34%	131.51%	132.21%	125.68%	103.49%	136.02%	111.26%
$76.69	$70.14	$80.88	$79.57	$77.47	$80.84	$82.02
8.01	6.30	7.50	7.67	5.16	8.94	7.47
8.25	8.23	7.86	6.01	5.81	6.15	4.25
92.95	84.67	96.24	93.25	88.44	95.93	93.74
7.05	15.33	3.76	6.75	11.56	4.07	6.26
9.26%	20.16%	4.97%	8.48%	11.96%	5.54%	6.96%

REPORT ON OPERATIONS - VALUE ADDED = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
SALES OR VALUE OF PRODUCT PRODUCED	X	X	X	X
LESS: PAPER, OTHER CHARGEABLE MATERIALS AND OUTSIDE SERVICES	X	X	X	X
VALUE ADDED BY MANUFACTURE	100.00%	100.00%	100.00%	100.00%
FACTORY PAYROLL	43.12	40.22	43.52	36.86
FACTORY EXPENSES	21.08	18.87	20.59	18.97
TOTAL FACTORY COST OF PRODUCT	64.20	59.09	64.11	55.83
GROSS PROFIT	35.80	40.91	35.89	44.17
ADMINISTRATIVE AND SELLING EXPENSES				
Administrative expenses	12.78	10.79	10.45	11.31
Selling expenses	14.38	11.60	10.63	9.64
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	27.16	22.39	21.08	20.95
INCOME BEFORE INTEREST EXPENSE	8.64	18.52	14.81	23.22
Interest expense	3.97	2.86	3.65	2.45
OPERATING INCOME (LOSS)	4.67	15.66	11.16	20.77
Other income (expense)	2.14	5.99	1.09	1.65
INCOME BEFORE INCOME TAXES	6.81	21.65	12.25	22.42

** Sample insufficient for Profit Leaders.

NEWSPAPER**	BOOK		NO PREDOMINANT PRODUCT**
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
X	X	X	X
X	X	X	X
100.00%	100.00%	100.00%	100.00%
47.36	46.38	37.98	49.53
18.95	21.47	20.45	18.92
66.31	67.85	58.43	68.45
33.69	32.15	41.57	31.55
13.68	12.53	12.30	12.63
10.93	11.32	9.81	13.80
24.61	23.85	22.11	26.43
9.08	8.30	19.46	5.12
1.61	3.88	1.97	5.31
7.47	4.42	17.49	(0.19)
(0.07)	2.18	1.46	1.20
7.40	6.60	18.95	1.01

SUPPORTING SCHEDULES - VALUE ADDED = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
FACTORY PAYROLL				
Salaries - executive	2.96%	3.04%	3.04%	3.80%
Direct wages	29.25	27.22	28.97	23.00
General factory salaries and wages	3.16	2.60	3.28	2.68
Packing, shipping and delivery wages	1.58	1.76	1.06	1.40
Payroll taxes	2.73	2.48	3.22	2.91
Employee benefits	3.44	3.12	3.95	3.07
TOTAL FACTORY PAYROLL	43.12	40.22	43.52	36.86
FACTORY EXPENSES				
Fixed Expenses				
Depreciation - real estate	0.64	0.91	0.45	0.14
Depreciation - other	5.32	4.93	5.36	5.49
Taxes - real estate	0.42	0.34	0.18	0.06
Taxes - other	0.32	0.33	0.25	0.21
Insurance	0.66	0.66	0.25	0.16
Building rent	1.75	1.06	1.08	1.20
Utilities - heat, light, etc.	2.10	2.05	2.23	2.33
Equipment rental	1.06	0.20	1.78	1.02
Total Fixed Expenses	12.27	10.48	11.58	10.61
Other Expenses				
Factory supplies and expense	3.28	3.38	4.37	3.61
Packing, shipping and delivery expense	2.13	2.20	0.84	1.11
Repairs and maintenance	2.39	2.25	2.32	2.37
Other factory expenses	1.01	0.56	1.48	1.27
Total Other Expenses	8.81	8.39	9.01	8.36
TOTAL FACTORY EXPENSES	21.08	18.87	20.59	18.97
ADMINISTRATIVE EXPENSES				
Salaries - executive	3.55	3.37	3.25	3.61
Salaries - office	2.86	1.83	2.63	3.03
Payroll taxes	0.38	0.25	0.39	0.47
Employee benefits	0.75	0.54	0.73	1.06
Bad debts	0.83	0.60	0.45	0.67
Office supplies and expenses	0.67	0.46	0.36	0.30
Professional fees	0.74	0.96	0.46	0.37
Taxes - business	0.20	0.34	0.06	0.00
Telephone	0.62	0.47	0.64	0.59
Other administrative expenses	2.18	1.97	1.48	1.21
TOTAL ADMINISTRATIVE EXPENSES	12.78	10.79	10.45	11.31
SELLING EXPENSES				
Salaries - executive	1.85	1.40	1.10	0.74
Salaries and commissions - salesmen	7.56	6.45	4.11	3.62
Salaries - sales office clerical	1.14	1.11	2.03	2.41
Payroll taxes	0.50	0.43	0.46	0.31
Employee benefits	0.54	0.57	1.02	1.55
Advertising	0.60	0.44	0.40	0.15
Travel and entertainment	1.26	0.37	0.93	0.66
Other selling expenses	0.93	0.83	0.58	0.20
TOTAL SELLING EXPENSES	14.38	11.60	10.63	9.64

** Sample insufficient for Profit Leaders.

NEWSPAPER**	BOOK		NO PREDOMINANT PRODUCT**
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
3.36%	3.41%	4.49%	4.23%
29.77	30.99	20.86	29.59
2.38	2.65	5.19	3.23
4.79	1.61	1.07	2.29
1.33	2.96	2.55	3.64
5.73	4.76	3.82	6.55
47.36	46.38	37.98	49.53
0.72	0.33	0.51	0.62
5.64	5.50	5.90	4.92
0.24	0.31	0.24	0.50
0.30	0.26	0.50	0.19
0.41	0.69	0.55	0.50
0.00	1.34	0.25	1.31
1.19	2.12	2.08	2.51
0.07	0.51	0.40	0.41
8.57	11.06	10.43	10.96
2.97	3.95	4.33	2.59
2.27	1.74	1.82	2.49
4.13	3.81	3.79	2.03
1.01	0.91	0.08	0.85
10.38	10.41	10.02	7.96
18.95	21.47	20.45	18.92
3.71	2.30	2.20	2.76
3.14	2.84	1.92	3.47
0.27	0.45	0.48	0.36
0.90	0.96	1.68	0.81
0.76	1.55	1.15	0.26
1.03	0.79	0.56	0.35
1.06	1.02	1.15	0.84
0.24	0.30	1.16	0.08
0.86	0.67	0.95	0.50
1.71	1.65	1.05	3.20
13.68	12.53	12.30	12.63
1.79	1.34	1.00	2.09
4.27	5.11	5.43	5.94
0.12	1.60	0.73	1.42
0.35	0.51	0.53	0.53
0.43	0.55	0.31	0.99
0.98	0.10	0.13	0.25
0.72	1.27	1.61	1.21
2.27	0.84	0.07	1.37
10.93	11.32	9.81	13.80

CHAPTER 2 - BY PRODUCT SPECIALTY

REPORT ON OPERATIONS - SALES = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
SALES OR VALUE OF PRODUCT PRODUCED	100.00%	100.00%	100.00%	100.00%
FACTORY COST OF PRODUCT				
MATERIALS				
Paper	29.07	29.88	28.42	28.98
Other chargeable materials	5.31	4.90	4.19	4.95
Outside services	7.70	7.81	7.69	11.60
TOTAL MATERIALS	42.08	42.59	40.30	45.53
FACTORY PAYROLL	25.06	23.01	26.29	19.91
FACTORY EXPENSES	12.15	10.76	12.33	10.37
TOTAL FACTORY COST OF PRODUCT	79.29	76.36	78.92	75.81
GROSS PROFIT	20.71	23.64	21.08	24.19
ADMINISTRATIVE AND SELLING EXPENSES				
Administrative expenses	7.40	6.25	6.19	6.13
Selling expenses	8.28	6.66	6.32	5.51
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	15.68	12.91	12.51	11.64
INCOME BEFORE INTEREST EXPENSE	5.03	10.73	8.57	12.55
Interest expense	2.26	1.61	2.24	1.39
OPERATING INCOME	2.77	9.12	6.33	11.16
Other income (expense)	1.18	3.12	0.58	0.90
INCOME BEFORE INCOME TAXES	3.95	12.24	6.91	12.06

SUPPORTING SCHEDULES - SALES = 100%

OTHER CHARGEABLE MATERIALS				
Ink	2.03%	2.41%	1.38%	1.57%
Film	0.98	0.98	1.05	1.24
Plates	1.39	1.24	1.23	1.06
Other chargeable materials	0.91	0.27	0.53	1.08
TOTAL OTHER CHARGEABLE MATERIALS	5.31	4.90	4.19	4.95
OUTSIDE SERVICES				
Composition	0.64	0.41	2.78	7.18
Offset preparation	1.40	1.04	0.95	1.59
Printing	1.23	2.05	0.38	0.54
Binding	2.53	2.21	0.92	2.02
Other outside services	1.90	2.10	2.66	0.27
TOTAL OUTSIDE SERVICES	7.70	7.81	7.69	11.60

** Sample insufficient for Profit Leaders.
*** Information not submitted.

NEWSPAPER**	BOOK		NO PREDOMINANT PRODUCT**
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
100.00%	100.00%	100.00%	100.00%
28.39	31.01	28.31	27.50
5.18	4.94	4.63	4.66
2.50	8.03	9.25	5.17
36.07	43.98	42.19	37.33
30.14	26.32	21.90	31.27
12.01	11.88	11.83	11.70
78.22	82.18	75.92	80.30
21.78	17.82	24.08	19.70
8.78	6.93	7.12	7.89
7.09	6.32	5.70	8.48
15.87	13.25	12.82	16.37
5.91	4.57	11.26	3.33
1.02	2.02	1.13	3.26
4.89	2.55	10.13	0.07
(0.07)	1.22	0.84	0.79
4.82	3.77	10.97	0.86
1.66%	1.09%	1.95%	2.37%
1.70	0.92	0.00	0.63
1.41	1.56	1.25	1.15
0.41	1.37	1.43	0.51
5.18	4.94	4.63	4.66
0.39	0.45		1.71
0.43	0.39		0.32
0.62	0.57		1.52
0.07	4.70		1.38
0.99	1.92		0.24
2.50	8.03	***	5.17

SUPPORTING SCHEDULES - SALES = 100%

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
FACTORY PAYROLL				
Salaries - executive	1.73%	1.73%	1.74%	2.09%
Direct wages	17.00	15.59	17.73	12.44
General factory salaries and wages	1.82	1.44	1.89	1.40
Packing, shipping and delivery wages	0.91	0.99	0.62	0.78
Payroll taxes	1.59	1.45	1.94	1.59
Employee benefits	2.01	1.81	2.37	1.61
TOTAL FACTORY PAYROLL	25.06	23.01	26.29	19.91
FACTORY EXPENSES				
Fixed Expenses				
Depreciation - real estate	0.37	0.47	0.29	0.08
Depreciation - other	3.07	2.89	3.20	2.99
Taxes - real estate	0.24	0.19	0.11	0.03
Taxes - other	0.18	0.19	0.14	0.12
Insurance	0.37	0.38	0.16	0.09
Building rent	1.02	0.65	0.64	0.69
Utilities - heat, light, etc.	1.21	1.19	1.30	1.23
Equipment rental	0.63	0.10	1.02	0.58
Total Fixed Expenses	7.09	6.06	6.86	5.81
Other Expenses				
Factory supplies and expense	1.90	1.92	2.64	1.97
Packing, shipping and delivery expense	1.21	1.21	0.50	0.63
Repairs and maintenance	1.37	1.27	1.37	1.27
Other factory expenses	0.58	0.30	0.96	0.69
Total Other Expenses	5.06	4.70	5.47	4.56
TOTAL FACTORY EXPENSES	12.15	10.76	12.33	10.37
ADMINISTRATIVE EXPENSES				
Salaries - executive	2.05	1.94	1.93	2.00
Salaries - office	1.67	1.07	1.53	1.59
Payroll taxes	0.22	0.15	0.22	0.25
Employee benefits	0.43	0.32	0.42	0.57
Bad debts	0.47	0.35	0.29	0.38
Office supplies and expenses	0.39	0.28	0.21	0.16
Professional fees	0.43	0.56	0.28	0.21
Taxes - business	0.12	0.21	0.04	0.00
Telephone	0.36	0.27	0.38	0.32
Other administrative expenses	1.26	1.10	0.89	0.65
TOTAL ADMINISTRATIVE EXPENSES	7.40	6.25	6.19	6.13
SELLING EXPENSES				
Salaries - executive	1.09	0.82	0.65	0.42
Salaries and commissions - salesmen	4.31	3.69	2.42	2.08
Salaries - sales office clerical	0.67	0.64	1.19	1.38
Payroll taxes	0.29	0.26	0.27	0.18
Employee benefits	0.32	0.34	0.60	0.89
Advertising	0.35	0.24	0.26	0.08
Travel and entertainment	0.71	0.21	0.57	0.37
Other selling expenses	0.54	0.46	0.36	0.11
TOTAL SELLING EXPENSES	8.28	6.66	6.32	5.51

** Sample insufficient for Profit Leaders.

NEWSPAPER**	BOOK		NO PREDOMINANT PRODUCT**
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
2.08%	1.90%	2.60%	2.64%
19.16	17.53	12.06	18.68
1.52	1.56	2.97	2.01
2.80	0.92	0.62	1.47
0.89	1.68	1.47	2.31
3.69	2.73	2.18	4.16
30.14	26.32	21.90	31.27
0.47	0.19	0.30	0.37
3.69	2.99	3.41	2.97
0.15	0.18	0.14	0.29
0.20	0.14	0.28	0.13
0.27	0.36	0.32	0.31
0.00	0.68	0.14	0.84
0.76	1.19	1.20	1.54
0.05	0.30	0.23	0.24
5.59	6.03	6.02	6.69
1.87	2.31	2.50	1.64
1.31	0.90	1.06	1.59
2.60	2.16	2.20	1.24
0.64	0.48	0.05	0.54
6.42	5.85	5.81	5.01
12.01	11.88	11.83	11.70
2.41	1.28	1.28	1.69
1.98	1.51	1.11	2.21
0.18	0.25	0.28	0.23
0.57	0.56	0.96	0.50
0.49	0.86	0.67	0.16
0.67	0.45	0.32	0.22
0.67	0.56	0.67	0.52
0.16	0.17	0.67	0.05
0.54	0.37	0.56	0.31
1.11	0.92	0.60	2.00
8.78	6.93	7.12	7.89
1.17	0.77	0.58	1.33
2.76	2.75	3.15	3.60
0.08	0.95	0.43	0.85
0.23	0.29	0.31	0.33
0.28	0.31	0.18	0.61
0.64	0.06	0.08	0.16
0.44	0.71	0.93	0.75
1.49	0.48	0.04	0.85
7.09	6.32	5.70	8.48

BALANCE SHEET

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
ASSETS				
CURRENT ASSETS				
Cash	4.17%	5.31%	9.47%	21.36%
Receivables	31.04	27.49	36.31	33.50
Inventories	13.68	11.84	17.67	18.56
Other current assets	4.00	8.23	0.62	0.34
TOTAL CURRENT ASSETS	52.89	52.87	64.07	73.76
FIXED ASSETS				
Real estate	11.68	12.39	11.54	5.68
Less: Accumulated depreciation	3.27	1.96	4.25	0.27
	8.41	10.43	7.29	5.41
Machinery and equipment	64.12	54.60	61.00	43.63
Less: Accumulated depreciation	31.96	25.61	32.73	18.14
	32.16	28.99	28.27	25.49
Other fixed assets	4.93	4.19	5.05	5.57
Less: Accumulated depreciation	2.64	2.15	2.32	0.69
	2.29	2.04	2.73	4.88
NET FIXED ASSETS	42.86	41.46	38.29	35.78
OTHER ASSETS	4.25	5.67	(2.36)	(9.54)
TOTAL ASSETS	100.00	100.00	100.00	100.00
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Notes payable	12.10	7.76	8.23	3.87
Accounts payable	14.09	9.62	12.33	10.60
Other current liabilities	8.85	14.47	8.42	4.71
TOTAL CURRENT LIABILITIES	35.04	31.85	28.98	19.18
LONG-TERM LIABILITIES	31.57	25.35	28.68	22.81
TOTAL LIABILITIES	66.61	57.20	57.66	41.99
SHAREHOLDERS' AND PROPRIETORS' EQUITY	33.39	42.80	42.34	58.01
TOTAL LIABILITIES AND EQUITY	100.00	100.00	100.00	100.00

BALANCE SHEET RATIOS

CURRENT RATIO	1.51	1.66	2.21	3.85
QUICK RATIO	1.12	1.29	1.60	2.88
TOTAL LIABILITIES TO EQUITY	1.99	1.34	1.36	0.72
LONG-TERM LIABILITIES TO EQUITY	0.95	0.59	0.68	0.39
ACCUMULATED DEPRECIATION - MACHINERY AND EQUIPMENT TO TOTAL MACHINERY AND EQUIPMENT	0.50	0.47	0.54	0.42

** Sample insufficient for Profit Leaders.

NEWSPAPER**	BOOK		NO PREDOMINANT PRODUCT**
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
7.66%	1.61%	1.79%	1.63%
25.29	39.02	32.97	27.99
11.49	16.71	14.33	15.63
8.26	1.75	4.56	3.03
52.70	59.09	53.65	48.28
24.06	10.04	10.74	15.35
9.27	3.92	3.59	4.20
14.79	6.12	7.15	11.15
61.33	61.05	48.59	62.16
36.76	35.35	29.44	28.52
24.57	25.70	19.15	33.64
6.48	6.95	4.91	7.33
2.55	3.19	3.29	3.50
3.93	3.76	1.62	3.83
43.29	35.58	27.92	48.62
4.01	5.33	18.43	3.10
100.00	100.00	100.00	100.00
10.09	16.23	8.51	10.19
14.24	16.29	10.36	16.72
3.95	11.53	6.75	11.09
28.28	44.05	25.62	38.00
16.33	28.45	34.05	38.96
44.61	72.50	59.67	76.96
55.39	27.50	40.33	23.04
100.00	100.00	100.00	100.00
1.86	1.34	2.09	1.27
1.46	0.96	1.53	0.86
0.81	2.64	1.48	3.34
0.29	1.03	0.84	1.69
0.60	0.58	0.61	0.46

SIGNIFICANT FACTS

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
INVESTMENT				
Average assets per employee - All employees	$ 50,025	$ 63,286	$ 54,774	$ 74,789
Average assets per factory employee (Excluding Executives)	67,074	83,549	76,068	101,034
Average net worth per employee - All employees	16,104	26,545	26,219	46,101
Average gross plant investment per factory employee (Excluding Executives)	52,656	57,080	50,018	51,353
Net worth percentage of fixed assets	91.94%	109.38%	137.10%	205.52%
EMPLOYEES				
Percent factory - All employees	78.63%	81.53%	79.71%	80.52%
Percent administrative - All employees	10.06	7.78	9.90	10.73
Percent sales - All employees	11.31	10.69	10.39	8.75
SALES - VALUE OF PRODUCT PRODUCED INCLUDING EXECUTIVES				
Sales per employee - All employees	$ 89,342	$ 94,066	$ 87,378	$ 100,868
Sales per factory employee	114,970	116,624	112,703	125,698
Sales less material per factory employee	65,343	67,820	66,100	68,420
Sales per administrative employee	1,121,485	1,481,030	975,838	983,827
EXCLUDING EXECUTIVES				
Sales per employee - All employees	96,514	102,032	98,465	118,174
Sales per factory employee	121,001	123,748	125,365	145,950
Sales less material per factory employee	68,822	72,016	73,294	79,833
SALES PER SALESMAN	914,070	898,512	1,087,937	1,266,771
SALES TO CURRENT ASSETS	371%	314%	311%	227%
PAYROLL - INCLUDING TAXES AND BENEFITS INCLUDING EXECUTIVES				
Total payroll percentage of sales	36.11%	32.24%	35.53%	29.26%
Factory payroll percentage of gross plant investment	64.73	53.04	66.19	60.40
Payroll per employee - All employees	$ 31,450	$ 30,436	$ 30,333	$ 29,474
Payroll per factory employee	27,572	27,000	27,893	24,976
Payroll per administrative employee	40,241	41,945	38,529	42,886
Payroll per sales employee	56,602	53,855	40,211	35,775
PAYROLL - EXCLUDING TAXES AND BENEFITS EXCLUDING EXECUTIVES				
Payroll per employee - All employees	$ 24,792	$ 24,075	$ 23,863	$ 22,955
Payroll per factory employee	22,728	22,203	23,028	20,785
Payroll per administrative employee	18,997	18,257	19,944	20,799
Payroll per sales employee	45,685	45,947	32,502	28,718
EXECUTIVE PAYROLL				
Payroll per executive - All executives	62,166	54,764	50,344	38,674
Payroll per factory executive	41,254	42,957	28,774	28,376
Payroll per administrative executive	83,915	100,208	62,459	62,562
Payroll per sales executive	66,807	61,460	41,312	29,153
RECEIVABLES				
Collection period	62.3	65.7	68.4	65.3
PROFIT				
Gross profit percentage of sales	20.71%	23.64%	21.08%	24.19%
Average gross profit per factory employee	$ 25,380	$ 30,159	$ 27,634	$ 35,914
Income before taxes percentage of sales	3.95%	12.24%	6.91%	12.06%
Average income before taxes per employee	$ 3,581	$ 11,483	$ 6,581	$ 12,238

** Sample insufficient for Profit Leaders.

NEWSPAPER**	BOOK		NO PREDOMINANT PRODUCT**
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
$ 26,166	$ 39,751	$ 61,946	$ 44,767
34,251	54,579	81,468	65,301
15,652	11,287	23,632	9,934
32,135	39,330	51,368	58,135
135.32%	88.55%	142.19%	51.47%
80.39%	79.03%	81.54%	76.81%
10.65	9.96	7.99	12.46
8.96	11.01	10.47	10.73
$ 46,648	$ 75,866	$ 78,768	$ 71,651
58,098	98,187	95,621	94,736
37,587	53,148	55,192	58,470
459,299	840,766	1,161,280	600,332
51,327	82,936	86,833	80,155
60,489	104,989	103,683	103,818
39,110	56,717	59,858	64,049
336,302	1,236,060	1,273,228	1,030,860
364%	355%	257%	344%
39.81%	34.99%	30.19%	42.62%
66.30	73.89	45.58	66.53
$ 18,317	$ 25,650	$ 24,070	$ 30,138
17,487	24,259	21,407	28,155
22,376	30,453	44,559	26,640
25,062	33,157	32,025	63,437
$ 14,088	$ 20,025	$ 17,652	$ 22,665
14,026	19,358	16,441	21,701
14,331	15,981	17,009	15,049
16,863	27,893	26,660	42,569
26,923	38,445	35,384	45,558
26,186	31,970	30,987	31,610
25,478	49,049	59,562	70,869
37,815	34,629	34,191	89,889
52.5	74.9	102.7	62.7
21.78%	17.82%	24.08%	19.70%
$ 13,667	$ 18,940	$ 24,543	$ 20,834
4.82%	3.77%	10.97%	0.86%
$ 2,912	$ 2,868	$ 8,392	$ 133

RETURN ON INVESTMENT - PER $100 OF SALES

	COMMERCIAL AND ADVERTISING		MAGAZINE AND PERIODICAL	
	ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS
INVESTMENT				
Current Assets:				
Cash	$ 2.41	$ 4.42	$ 8.52	$19.42
Receivables	16.51	17.50	18.41	17.60
Inventories	7.46	8.12	10.57	13.83
Marketable securities	0.81	3.47	0.00	0.00
Other current assets	1.34	1.62	0.32	0.15
	28.53	35.13	37.82	51.00
Plant Investment:				
Land and building	7.02	10.31	6.58	4.87
Machinery and equipment	34.89	33.59	33.63	29.63
Other fixed assets	2.56	2.40	3.01	3.97
	44.47	46.30	43.22	38.47
Non-Current Assets	2.49	4.41	(0.42)	(3.27)
TOTAL INVESTMENT	75.49	85.84	80.62	86.20
INVESTMENT TURNOVER PER $100 OF SALES	132.47%	116.50%	124.04%	116.00%
EARNINGS				
Cost of Product	$79.29	$76.36	$78.92	$75.81
Selling Expenses	8.28	6.66	6.32	5.51
Administrative Expenses	7.40	6.25	6.19	6.13
	94.97	89.27	91.43	87.45
Income Before Interest, Other Income (Expense), and Taxes	5.03	10.73	8.57	12.55
RETURN ON INVESTMENT - INVESTMENT TURNOVER X INCOME	6.66%	12.50%	10.63%	14.56%

** Sample insufficient for Profit Leaders.

NEWSPAPER**	BOOK		NO PREDOMINANT PRODUCT**
ALL FIRMS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
$ 4.39	$ 0.86	$ 1.42	$ 0.89
13.48	19.46	25.82	16.93
6.09	8.49	11.22	10.00
0.84	0.00	0.00	0.34
2.82	1.08	3.55	1.58
27.62	29.89	42.01	29.74
13.74	5.16	8.42	9.83
33.01	31.77	38.10	39.31
3.61	3.55	3.83	4.83
50.36	40.48	50.35	53.97
2.50	3.61	14.60	1.67
80.48	73.98	106.96	85.38
124.25%	135.17%	93.49%	117.12%
$78.22	$82.18	$75.92	$80.30
7.09	6.32	5.70	8.48
8.78	6.93	7.12	7.89
94.09	95.43	88.74	96.67
5.91	4.57	11.26	3.33
7.34%	6.18%	10.53%	3.90%

CHAPTER 3 - BY PERCENTAGE OF WEB SALES

REPORT ON OPERATIONS - VALUE ADDED = 100%

	0% TO 11%**	21% TO 41%	
	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
SALES OR VALUE OF PRODUCT PRODUCED	X	X	X
LESS: PAPER, OTHER CHARGEABLE MATERIALS AND OUTSIDE SERVICES	X	X	X
VALUE ADDED BY MANUFACTURE	100.00%	100.00%	100.00%
FACTORY PAYROLL	47.69	42.48	33.67
FACTORY EXPENSES	24.43	20.08	17.60
TOTAL FACTORY COST OF PRODUCT	72.12	62.56	51.27
GROSS PROFIT	27.88	37.44	48.73
ADMINISTRATIVE AND SELLING EXPENSES			
Administrative expenses	7.18	12.28	13.25
Selling expenses	10.01	15.37	11.91
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	17.19	27.65	25.16
INCOME BEFORE INTEREST EXPENSE	10.69	9.79	23.57
Interest expense	6.14	3.90	2.85
OPERATING INCOME	4.55	5.89	20.72
Other income (expense)	2.89	0.77	(2.73)
INCOME BEFORE INCOME TAXES	7.44	6.66	17.99

** Sample insufficient for Profit Leaders.

41% TO 61%		61% TO 81%		81% TO 99%**
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
X	X	X	X	X
X	X	X	X	X
100.00%	100.00%	100.00%	100.00%	100.00%
44.84	40.38	45.08	45.83	41.31
21.14	19.14	20.61	18.63	25.92
65.98	59.52	65.69	64.46	67.23
34.02	40.48	34.31	35.54	32.77
12.58	9.76	13.44	9.89	11.26
12.60	13.35	11.93	5.82	10.47
25.18	23.11	25.37	15.71	21.73
8.84	17.37	8.94	19.83	11.04
3.74	3.37	3.58	1.13	4.54
5.10	14.00	5.36	18.70	6.50
4.33	10.68	1.16	1.09	0.33
9.43	24.68	6.52	19.79	6.83

SUPPORTING SCHEDULES - VALUE ADDED = 100%

	0% TO 11%**	21% TO 41%	
	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
FACTORY PAYROLL			
Salaries - executive	0.15%	2.98%	3.28%
Direct wages	32.23	28.81	22.24
General factory salaries and wages	6.23	3.11	1.77
Packing, shipping and delivery wages	1.86	1.50	1.34
Payroll taxes	1.94	2.70	2.37
Employee benefits	5.28	3.38	2.67
TOTAL FACTORY PAYROLL	47.69	42.48	33.67
FACTORY EXPENSES			
Fixed Expenses			
Depreciation - real estate	0.00	0.37	0.06
Depreciation - other	8.47	5.24	5.08
Taxes - real estate	0.51	0.37	0.11
Taxes - other	0.00	0.31	0.33
Insurance	0.62	0.57	0.47
Building rent	3.24	1.62	2.49
Utilities - heat, light, etc.	1.62	1.87	1.40
Equipment rental	1.19	1.25	0.67
Total Fixed Expenses	15.65	11.60	10.61
Other Expenses			
Factory supplies and expense	1.56	3.35	2.83
Packing, shipping and delivery expense	2.03	1.83	1.52
Repairs and maintenance	3.83	2.38	2.10
Other factory expenses	1.36	0.92	0.54
Total Other Expenses	8.78	8.48	6.99
TOTAL FACTORY EXPENSES	24.43	20.08	17.60
ADMINISTRATIVE EXPENSES			
Salaries - executive	0.69	3.49	4.34
Salaries - office	2.76	2.71	1.71
Payroll taxes	0.03	0.41	0.41
Employee benefits	0.20	0.77	0.74
Bad debts	1.07	0.61	0.65
Office supplies and expenses	0.13	0.69	0.66
Professional fees	0.42	0.70	0.66
Taxes - business	0.25	0.16	0.44
Telephone	0.56	0.55	0.59
Other administrative expenses	1.07	2.19	3.05
TOTAL ADMINISTRATIVE EXPENSES	7.18	12.28	13.25
SELLING EXPENSES			
Salaries - executive	2.73	1.70	1.35
Salaries and commissions - salesmen	3.37	7.99	5.30
Salaries - sales office clerical	0.86	1.52	2.23
Payroll taxes	0.16	0.55	0.52
Employee benefits	0.40	0.62	1.36
Advertising	0.38	0.55	0.22
Travel and entertainment	1.26	1.36	0.54
Other selling expenses	0.85	1.08	0.39
TOTAL SELLING EXPENSES	10.01	15.37	11.91

** Sample insufficient for Profit Leaders.

41% TO 61%		61% TO 81%		81% TO 99%**
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
3.39%	3.32%	3.12%	3.08%	3.64%
29.93	27.53	29.87	27.48	26.32
2.73	2.46	3.03	4.28	4.26
2.28	1.77	1.24	1.45	2.67
2.99	2.58	2.84	2.85	1.43
3.52	2.72	4.98	6.69	2.99
44.84	40.38	45.08	45.83	41.31
0.72	0.66	0.72	0.60	1.55
5.22	5.97	5.30	6.30	6.44
0.44	0.45	0.35	0.20	0.32
0.32	0.31	0.30	0.35	0.10
0.56	0.36	0.67	0.58	0.91
1.58	0.24	1.10	0.25	2.27
2.24	2.45	2.42	2.56	1.63
0.74	0.22	0.72	0.22	0.98
11.82	10.66	11.58	11.06	14.20
2.92	3.09	3.86	3.04	3.81
2.35	1.63	1.62	1.06	3.64
2.90	2.90	2.48	2.90	3.73
1.15	0.86	1.07	0.57	0.54
9.32	8.48	9.03	7.57	11.72
21.14	19.14	20.61	18.63	25.92
3.13	2.85	3.54	1.69	2.50
3.01	2.08	3.19	3.09	1.42
0.38	0.31	0.43	0.33	0.05
0.78	0.42	0.88	1.46	0.24
0.92	0.87	1.03	0.33	1.48
0.60	0.38	0.75	0.57	0.43
0.90	1.11	0.75	0.33	0.48
0.24	0.09	0.20	0.63	0.03
0.67	0.62	0.68	0.44	0.85
1.95	1.03	1.99	1.02	3.78
12.58	9.76	13.44	9.89	11.26
1.58	1.66	2.08	0.81	0.14
6.43	7.06	5.05	2.26	8.12
1.12	1.50	1.00	0.50	0.59
0.51	0.51	0.46	0.16	0.02
0.51	0.37	0.66	0.58	0.17
0.55	0.37	0.46	0.24	0.34
1.23	1.01	0.99	0.43	0.66
0.67	0.87	1.23	0.84	0.43
12.60	13.35	11.93	5.82	10.47

CHAPTER 3 - BY PERCENTAGE OF WEB SALES

REPORT ON OPERATIONS - SALES = 100%

	0% TO 11%**	21% TO 41%	
	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
SALES OR VALUE OF PRODUCT PRODUCED	100.00%	100.00%	100.00%
FACTORY COST OF PRODUCT			
MATERIALS			
Paper	28.97	26.81	19.64
Other chargeable materials	4.71	4.87	3.31
Outside services	8.66	8.23	11.40
TOTAL MATERIALS	42.34	39.91	34.35
FACTORY PAYROLL	27.68	25.59	22.07
FACTORY EXPENSES	13.78	12.01	11.43
TOTAL FACTORY COST OF PRODUCT	83.80	77.51	67.85
GROSS PROFIT	16.20	22.49	32.15
ADMINISTRATIVE AND SELLING EXPENSES			
Administrative expenses	4.01	7.35	8.57
Selling expenses	5.82	9.07	7.59
TOTAL ADMINISTRATIVE AND SELLING EXPENSES	9.83	16.42	16.16
INCOME BEFORE INTEREST EXPENSE	6.37	6.07	15.99
Interest expense	3.54	2.32	1.86
OPERATING INCOME	2.83	3.75	14.13
Other income (expense)	1.62	0.39	(1.89)
INCOME BEFORE INCOME TAXES	4.45	4.14	12.24

SUPPORTING SCHEDULES - SALES = 100%

OTHER CHARGEABLE MATERIALS			
Ink	2.83%	1.54%	0.90%
Film	1.35	1.05	1.07
Plates	0.50	1.04	1.04
Other chargeable materials	0.03	1.24	0.30
TOTAL OTHER CHARGEABLE MATERIALS	4.71	4.87	3.31
OUTSIDE SERVICES			
Composition	0.44	0.91	3.25
Offset preparation	0.00	1.41	0.65
Printing	5.99	1.23	3.53
Binding	0.84	2.37	0.99
Other outside services	1.39	2.31	2.98
TOTAL OUTSIDE SERVICES	8.66	8.23	11.40

** Sample insufficient for Profit Leaders.

41% TO 61%		61% TO 81%		81% TO 99%***
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
100.00%	100.00%	100.00%	100.00%	100.00%
28.60	29.63	30.62	30.03	45.13
5.04	5.41	5.37	5.40	8.16
7.52	8.71	6.34	7.09	5.21
41.16	43.75	42.33	42.52	58.50
26.62	22.71	26.07	26.36	17.01
12.39	10.72	11.85	10.74	10.46
80.17	77.18	80.25	79.62	85.97
19.83	22.82	19.75	20.38	14.03
7.42	5.55	7.69	5.69	4.85
7.37	7.50	6.87	3.43	4.18
14.79	13.05	14.56	9.12	9.03
5.04	9.77	5.19	11.26	5.00
2.14	1.85	2.07	0.65	1.58
2.90	7.92	3.12	10.61	3.42
2.48	5.95	0.62	0.65	0.16
5.38	13.87	3.74	11.26	3.58
1.93%	2.91%	2.23%	2.43%	4.23%
0.96	0.76	1.02	1.19	0.33
1.53	1.07	1.56	1.03	2.63
0.62	0.67	0.56	0.75	0.97
5.04	5.41	5.37	5.40	8.16
0.86	0.79	0.38	0.14	1.26
1.29	1.60	0.95	1.88	0.67
0.65	0.48	0.87	1.55	1.57
2.68	2.51	2.62	2.71	0.51
2.04	3.33	1.52	0.81	1.20
7.52	8.71	6.34	7.09	5.21

SUPPORTING SCHEDULES - SALES = 100%

	0% TO 11%**	21% TO 41%	
	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
FACTORY PAYROLL			
Salaries - executive	0.08%	1.79%	2.06%
Direct wages	18.40	17.39	14.63
General factory salaries and wages	3.84	1.85	1.25
Packing, shipping and delivery wages	1.03	0.89	0.86
Payroll taxes	1.20	1.63	1.56
Employee benefits	3.13	2.04	1.71
TOTAL FACTORY PAYROLL	27.68	25.59	22.07
FACTORY EXPENSES			
Fixed Expenses			
Depreciation - real estate	0.00	0.23	0.03
Depreciation - other	4.65	3.11	3.30
Taxes - real estate	0.31	0.21	0.07
Taxes - other	0.00	0.18	0.21
Insurance	0.35	0.34	0.31
Building rent	1.82	0.97	1.61
Utilities - heat, light, etc.	0.95	1.11	0.91
Equipment rental	0.74	0.76	0.39
Total Fixed Expenses	8.82	6.91	6.83
Other Expenses			
Factory supplies and expense	0.97	2.02	1.88
Packing, shipping and delivery expense	1.08	1.07	0.95
Repairs and maintenance	2.14	1.44	1.39
Other factory expenses	0.77	0.57	0.38
Total Other Expenses	4.96	5.10	4.60
TOTAL FACTORY EXPENSES	13.78	12.01	11.43
ADMINISTRATIVE EXPENSES			
Salaries - executive	0.37	2.09	2.71
Salaries - office	1.55	1.63	1.10
Payroll taxes	0.02	0.24	0.26
Employee benefits	0.12	0.45	0.45
Bad debts	0.58	0.37	0.44
Office supplies and expenses	0.08	0.41	0.45
Professional fees	0.24	0.41	0.42
Taxes - business	0.13	0.10	0.28
Telephone	0.32	0.33	0.38
Other administrative expenses	0.60	1.32	2.08
TOTAL ADMINISTRATIVE EXPENSES	4.01	7.35	8.57
SELLING EXPENSES			
Salaries - executive	1.59	1.01	0.80
Salaries and commissions - salesmen	1.90	4.70	3.40
Salaries - sales office clerical	0.54	0.92	1.49
Payroll taxes	0.10	0.32	0.33
Employee benefits	0.24	0.37	0.81
Advertising	0.24	0.33	0.15
Travel and entertainment	0.74	0.79	0.37
Other selling expenses	0.47	0.63	0.24
TOTAL SELLING EXPENSES	5.82	9.07	7.59

** Sample insufficient for Profit Leaders.

41% TO 61%		61% TO 81%		81% TO 99%**
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
2.02%	1.90%	1.81%	1.72%	1.45%
17.75	15.45	17.27	15.81	10.76
1.62	1.40	1.75	2.41	1.88
1.34	0.98	0.73	0.86	1.05
1.77	1.47	1.63	1.63	0.54
2.12	1.51	2.88	3.93	1.33
26.62	22.71	26.07	26.36	17.01
0.43	0.37	0.40	0.37	0.71
3.07	3.31	3.09	3.66	2.34
0.26	0.24	0.21	0.12	0.15
0.18	0.18	0.18	0.21	0.05
0.32	0.20	0.37	0.34	0.35
0.95	0.14	0.64	0.14	0.77
1.31	1.38	1.36	1.43	0.65
0.45	0.12	0.41	0.13	0.39
6.97	5.94	6.66	6.40	5.41
1.72	1.76	2.23	1.75	1.72
1.36	0.92	0.93	0.60	1.53
1.68	1.63	1.42	1.67	1.56
0.66	0.47	0.61	0.32	0.24
5.42	4.78	5.19	4.34	5.05
12.39	10.72	11.85	10.74	10.46
1.84	1.63	2.06	0.96	0.96
1.76	1.17	1.80	1.74	0.65
0.22	0.18	0.24	0.19	0.02
0.47	0.24	0.50	0.84	0.11
0.53	0.50	0.57	0.20	0.68
0.35	0.22	0.43	0.35	0.18
0.53	0.63	0.43	0.19	0.20
0.14	0.05	0.12	0.37	0.01
0.40	0.35	0.39	0.26	0.36
1.18	0.58	1.15	0.59	1.68
7.42	5.55	7.69	5.69	4.85
0.96	0.94	1.20	0.50	0.06
3.69	3.95	2.87	1.30	3.13
0.66	0.86	0.59	0.30	0.27
0.30	0.29	0.27	0.09	0.01
0.31	0.21	0.38	0.35	0.08
0.33	0.21	0.27	0.15	0.15
0.72	0.57	0.55	0.25	0.29
0.40	0.47	0.74	0.49	0.19
7.37	7.50	6.87	3.43	4.18

CHAPTER 3 - BY PERCENTAGE OF WEB SALES

BALANCE SHEET

	0% TO 11%**	21% TO 41%	
	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
ASSETS			
CURRENT ASSETS			
Cash	0.00%	4.35%	4.43%
Receivables	27.93	33.48	35.16
Inventories	19.35	13.26	11.94
Other current assets	0.74	5.10	17.45
TOTAL CURRENT ASSETS	48.02	56.19	68.98
FIXED ASSETS			
Real estate	1.32	11.04	0.87
Less: Accumulated depreciation	1.02	3.14	0.53
	0.30	7.90	0.34
Machinery and equipment	82.81	65.11	60.07
Less: Accumulated depreciation	32.75	35.51	30.06
	50.06	29.60	30.01
Other fixed assets	1.35	5.74	6.56
Less: Accumulated depreciation	1.06	3.05	3.14
	0.29	2.69	3.42
NET FIXED ASSETS	50.65	40.19	33.77
OTHER ASSETS	1.33	3.62	(2.75)
TOTAL ASSETS	100.00	100.00	100.00
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Notes payable	9.65	10.75	5.90
Accounts payable	14.77	14.65	9.73
Other current liabilities	25.45	7.92	10.24
TOTAL CURRENT LIABILITIES	49.87	33.33	25.87
LONG-TERM LIABILITIES	37.40	33.42	26.06
TOTAL LIABILITIES	87.27	66.74	51.93
SHAREHOLDERS' AND PROPRIETORS' EQUITY	12.73	33.26	48.07
TOTAL LIABILITIES AND EQUITY	100.00	100.00	100.00

BALANCE SHEET RATIOS

CURRENT RATIO	0.96	1.69	2.67
QUICK RATIO	0.57	1.29	2.20
TOTAL LIABILITIES TO EQUITY	6.86	2.01	1.08
LONG-TERM LIABILITIES TO EQUITY	2.94	1.00	0.54
ACCUMULATED DEPRECIATION - MACHINERY AND EQUIPMENT TO TOTAL MACHINERY AND EQUIPMENT	0.40	0.55	0.50

** Sample insufficient for Profit Leaders.

41% TO 61%		61% TO 81%		81% TO 99%**
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
3.23%	5.00%	6.08%	15.68%	1.14%
30.29	27.86	30.68	22.81	30.63
14.17	12.34	15.53	14.93	11.78
5.70	8.42	1.79	0.52	1.93
53.39	53.62	54.08	53.94	45.48
14.63	17.72	12.08	15.03	10.18
4.25	2.80	4.33	4.60	3.10
10.38	14.92	7.75	10.43	7.08
59.41	45.26	62.30	54.87	63.70
29.49	21.84	31.52	30.74	22.34
29.92	23.42	30.78	24.13	41.36
5.10	7.20	6.31	3.97	0.78
2.44	2.49	2.97	1.68	0.54
2.66	4.71	3.34	2.29	0.24
42.96	43.05	41.87	36.85	48.68
3.65	3.33	4.05	9.21	5.84
100.00	100.00	100.00	100.00	100.00
14.54	8.18	9.79	2.03	19.09
13.99	9.58	12.96	9.26	18.68
10.31	13.57	8.23	7.90	8.53
38.84	31.33	30.98	19.19	46.30
26.42	29.66	30.80	20.85	24.52
65.26	60.99	61.78	40.04	70.82
34.74	39.01	38.22	59.96	29.18
100.00	100.00	100.00	100.00	100.00
1.37	1.71	1.75	2.81	0.98
1.01	1.32	1.24	2.03	0.73
1.88	1.56	1.62	0.67	2.43
0.76	0.76	0.81	0.35	0.84
0.50	0.48	0.51	0.56	0.35

SIGNIFICANT FACTS

	0% TO 11%**	21% TO 41%	
	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
INVESTMENT			
Average assets per employee - All employees	$ 41,874	$ 44,447	$ 44,071
Average assets per factory employee (Excluding Executives)	49,168	60,671	62,173
Average net worth per employee - All employees	6,458	13,860	20,789
Average gross plant investment per factory employee (Excluding Executives)	38,708	49,076	40,996
Net worth percentage of fixed assets	34.25%	105.22%	180.73%
EMPLOYEES			
Percent factory - All employees	85.45%	77.73%	79.05%
Percent administrative - All employees	6.46	9.90	8.85
Percent sales - All employees	8.09	12.37	12.10
SALES - VALUE OF PRODUCT PRODUCED INCLUDING EXECUTIVES			
Sales per employee - All employees	$ 79,138	$ 86,211	$ 87,123
Sales per factory employee	92,325	112,234	111,746
Sales less material per factory employee	54,580	66,256	72,536
Sales per administrative employee	1,352,664	1,030,021	1,173,759
EXCLUDING EXECUTIVES			
Sales per employee - All employees	81,722	94,001	100,552
Sales per factory employee	92,733	119,461	125,954
Sales less material per factory employee	54,798	70,521	81,141
SALES PER SALESMAN	877,871	926,413	1,052,548
SALES TO CURRENT ASSETS	401%	377%	324%
PAYROLL - INCLUDING TAXES AND BENEFITS INCLUDING EXECUTIVES			
Total payroll percentage of sales	34.12%	37.31%	33.42%
Factory payroll percentage of gross plant investment	81.03	69.44	72.14
Payroll per employee - All employees	$ 28,287	$ 31,390	$ 28,538
Payroll per factory employee	26,906	27,351	23,849
Payroll per administrative employee	24,330	40,202	47,916
Payroll per sales employee	44,679	56,359	53,071
PAYROLL - EXCLUDING TAXES AND BENEFITS EXCLUDING EXECUTIVES			
Payroll per employee - All employees	$ 22,846	$ 25,026	$ 22,261
Payroll per factory employee	22,182	22,665	19,942
Payroll per administrative employee	22,258	19,436	17,899
Payroll per sales employee	32,390	48,984	42,471
EXECUTIVE PAYROLL			
Payroll per executive - All executives	62,665	58,829	41,703
Payroll per factory executive	3,718	38,003	27,988
Payroll per administrative executive	8,764	86,423	100,037
Payroll per sales executive	67,288	64,091	38,879
RECEIVABLES			
Collection period	56.3	61.3	62.1
PROFIT			
Gross profit percentage of sales	16.20%	22.49%	32.15%
Average gross profit per factory employee	$ 15,868	$ 27,344	$ 39,982
Income before taxes percentage of sales	4.45%	4.14%	12.24%
Average income before taxes per employee	$ 4,185	$ 3,573	$ 10,436

** Sample insufficient for Profit Leaders.

41% TO 61%		61% TO 81%		81% TO 99%**
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
$ 49,376	$ 75,607	$ 49,807	$ 67,374	$ 82,702
66,382	100,601	67,754	81,738	100,602
17,384	29,164	21,220	42,339	10,679
50,974	68,839	50,053	51,100	73,417
90.55%	97.06%	100.83%	178.55%	80.68%
79.70%	80.59%	79.01%	87.20%	85.81%
10.06	8.25	11.07	8.15	6.55
10.24	11.16	9.92	4.65	7.64
$ 79,133	$ 95,787	$ 87,947	$ 92,133	$ 106,576
100,150	118,934	114,144	105,844	125,101
57,730	66,864	64,115	59,966	49,650
954,917	1,275,210	1,005,991	1,459,720	1,906,509
86,038	104,380	95,404	98,405	114,348
106,415	127,130	120,342	111,021	131,478
61,320	71,595	67,642	62,827	52,169
1,005,592	1,009,042	987,368	1,287,621	724,314
336%	250%	359%	304%	355%
36.84%	32.18%	35.97%	32.62%	22.30%
63.70	45.27	65.12	56.81	37.86
$ 28,266	$ 30,804	$ 30,779	$ 29,575	$ 23,783
25,335	27,055	28,039	27,323	21,059
35,833	36,707	38,221	45,501	30,056
50,584	61,338	48,832	38,247	52,494
$ 22,321	$ 24,632	$ 23,161	$ 21,782	$ 20,332
20,836	22,419	22,308	20,751	17,729
17,143	18,533	19,649	23,472	8,369
40,041	51,598	31,865	28,153	51,497
51,839	56,486	59,704	48,419	38,268
40,390	44,364	39,492	40,731	38,826
69,052	76,990	75,232	74,820	30,363
57,443	69,753	69,818	58,499	9,950
69.2	81.1	60.2	54.6	70.3
19.83%	22.82%	19.75%	20.38%	14.03%
$ 21,666	$ 29,450	$ 23,810	$ 22,372	$ 16,182
5.38%	13.87%	3.74%	11.26%	3.58%
$ 4,771	$ 12,947	$ 3,380	$ 10,414	$ 1,524

RETURN ON INVESTMENT - PER $100 OF SALES

	0% TO 11%**	21% TO 41%	
	ALL FIRMS	ALL FIRMS	PROFIT LEADERS
INVESTMENT			
Current Assets:			
Cash	$ 0.00	$ 2.23	$ 2.12
Receivables	14.71	16.33	16.63
Inventories	10.51	6.59	5.92
Marketable securities	0.00	0.59	1.32
Other current assets	0.36	2.31	10.61
	25.58	28.05	36.60
Plant Investment:			
Land and building	0.63	6.24	0.48
Machinery and equipment	48.44	32.99	30.43
Other fixed assets	0.85	2.79	3.45
	49.92	42.02	34.36
Non-Current Assets	0.77	2.17	(0.01)
TOTAL INVESTMENT	76.27	72.24	70.95
INVESTMENT TURNOVER PER $100 OF SALES	131.11%	138.43%	140.94%
EARNINGS			
Cost of Product	$83.80	$77.51	$67.85
Selling Expenses	5.82	9.07	7.59
Administrative Expenses	4.01	7.35	8.57
	93.63	93.93	84.01
Income Before Interest, Other Income (Expense), and Taxes	6.37	6.07	15.99
RETURN ON INVESTMENT - INVESTMENT TURNOVER X INCOME	8.35%	8.40%	22.54%

** Sample insufficient for Profit Leaders.

41% TO 61%		61% TO 81%		81% TO 99%**
ALL FIRMS	PROFIT LEADERS	ALL FIRMS	PROFIT LEADERS	ALL FIRMS
$ 2.39	$ 5.11	$ 4.15	$13.21	$ 1.18
18.00	21.10	16.14	14.65	18.62
8.62	9.75	8.75	11.33	7.50
1.59	4.52	0.01	0.03	0.00
1.78	1.80	1.07	0.31	1.35
32.38	42.28	30.12	39.53	28.65
9.41	15.10	6.90	9.61	4.96
35.43	33.94	33.57	35.49	46.77
3.30	5.33	3.32	2.51	0.57
48.14	54.37	43.79	47.61	52.30
2.20	3.05	2.64	6.95	4.37
82.72	99.70	76.55	94.09	85.32
120.89%	100.30%	130.63%	106.28%	117.21%
$80.17	$77.18	$80.25	$79.62	$85.97
7.37	7.50	6.87	3.43	4.18
7.42	5.55	7.69	5.69	4.85
94.96	90.23	94.81	88.74	95.00
5.04	9.77	5.19	11.26	5.00
6.09%	9.80%	6.78%	11.97%	5.86%

ABSOLUTE DATA

	NUMBER OF PARTICIPATING FIRMS	AVERAGE FIRM REPORTING** TOTAL ASSETS	SALES OR VALUE OF PRODUCTION	TOTAL INCOME
TOTAL - ALL FIRMS	96	$ 6,956,000	$11,837,000	$ 616,000
TOTAL - PROFIT LEADERS*	18	9,138,000	12,805,000	1,695,000
BY SIZE OF FIRM				
ALL FIRMS				
$0-$1,500,000	5	493,000	1,147,000	34,000
$1,500,000-$5,000,000	22	1,944,000	3,409,000	175,000
$5,000,000-$10,000,000	28	3,941,000	7,267,000	171,000
$10,000,000-$20,000,000	31	8,561,000	14,332,000	759,000
Over $20,000,000	10	24,685,000	40,790,000	2,678,000
PROFIT LEADERS				
$1,500,000-$5,000,000	6	1,910,000	3,279,000	419,000
$10,000,000-$20,000,000	8	10,295,000	13,379,000	1,391,000
Over $20,000,000	3	21,545,000	32,010,000	5,298,000
BY PRODUCT SPECIALTY				
ALL FIRMS				
Commercial and Advertising	68	7,406,000	12,601,000	631,000
Magazine and Periodical	7	6,993,000	10,699,000	815,000
Newspaper	4	1,665,000	3,037,000	126,000
Book	10	5,016,000	9,570,000	488,000
No Predominant Product	4	7,793,000	13,231,000	104,000
PROFIT LEADERS				
Commercial and Advertising	9	10,245,000	14,720,000	2,137,000
Newspaper	3	9,638,000	10,998,000	1,396,000
Book	2	7,117,000	9,055,000	973,000
BY PERCENTAGE OF WEB SALES				
ALL FIRMS				
0% To 11%	2	5,383,000	10,480,000	608,000
21% To 41%	40	7,373,000	12,662,000	565,000
41% To 61%	27	6,778,000	10,634,000	810,000
61% To 81%	24	6,932,000	12,466,000	520,000
81% To 99%	3	4,247,000	7,556,000	318,000
PROFIT LEADERS				
21% TO 41%	5	2,457,000	4,502,000	497,000
41% To 61%	7	12,269,000	15,820,000	2,502,000
61% To 81%	5	12,588,000	18,526,000	2,006,000

* "Profit Leaders" are those firms which earned 8% or greater pretax profits on sales.
** Unlike the ratios shown in this book, these figures are arithmetic averages.

HOW THE NUMBERS ARE COMPUTED

The PIA Ratios are computed by the method of relative or common size. With this method each company's dollars are converted into a percentage to the total. Then these percentages are added in total and within a given sales class. This is a very simple way of avoiding what is known as self-weighting when various magnitudes are involved. With this method each company is given equal weight regardless of their size.

The following example illustrates how this calculation process eliminates the problem of the ratios' giving inordinate weight to the results of very large firms.

Firm	Sales	Factory Payroll	% of Sales Firm's Ratio Factory Payroll	PIA Ratio Factory Payroll
A	$ 200,000	$ 60,000	30.0%	
B	500,000	100,000	20.0	
C	8,000,000	975,000	12.2	
			62.2% divided by 3 =	20.7%